

110TH CONGRESS  
2D SESSION

# H. R. 6811

To amend the Internal Revenue Code of 1986 to provide incentives for building homeless shelters in areas warranting assistance due to Presidentially declared disasters.

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## IN THE HOUSE OF REPRESENTATIVES

AUGUST 1, 2008

Mr. JEFFERSON introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to provide incentives for building homeless shelters in areas warranting assistance due to Presidentially declared disasters.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Duncan Plaza Home-  
5 less Disaster Relief Act of 2008”.

1 **SEC. 2. NO-INCOME HOUSING CREDITS FOR AREA WAR-**  
 2 **RANTING ASSISTANCE DUE TO PRESI-**  
 3 **DENTIALLY DECLARED DISASTERS.**

4 (a) IN GENERAL.—Subchapter Y of chapter 1 of the  
 5 Internal Revenue Code of 1986 (relating to short-term re-  
 6 gional benefits) is amended by adding at the end the fol-  
 7 lowing new section:

8 **“PART III—TAX BENEFITS FOR AREAS WAR-**  
 9 **RANTING ASSISTANCE DUE TO PRESI-**  
 10 **DENTIALLY DECLARED DISASTERS**

“Sec. 1400U. No-income housing credits for area warranting assistance due to  
 Presidentially declared disasters.

11 **“SEC. 1400U. NO-INCOME HOUSING CREDITS FOR AREA**  
 12 **WARRANTING ASSISTANCE DUE TO PRESI-**  
 13 **DENTIALLY DECLARED DISASTERS.**

14 “(a) IN GENERAL.—In the case of a building—

15 “(1) located within an area determined by the  
 16 President to warrant individual or individual and  
 17 public assistance from the Federal Government  
 18 under the Robert T. Stafford Disaster Relief and  
 19 Emergency Assistance Act, and

20 “(2) placed in service during the 5-year period  
 21 beginning on the date of such determination,  
 22 section 42 shall be applied with the modifications set forth  
 23 in subsection (b).

1       “(b) MODIFICATIONS.—For purposes of subsection  
2 (a), section 42 shall be applied as follows:

3               “(1) HOMELESS SHELTERS TREATED AS QUALI-  
4 FIED LOW-INCOME BUILDING.—

5               “(A) IN GENERAL.—The term ‘qualified  
6 low-income housing project’ shall include any  
7 project, if elected by the taxpayer, for a shelter  
8 which is used to provide temporary living ac-  
9 commodations for homeless individuals (within  
10 the meaning of section 103 of the Stewart B.  
11 McKinney Homeless Assistance Act (42 U.S.C.  
12 11302)).

13              “(B) ELECTION IRREVOCABLE.—Any elec-  
14 tion under this paragraph, once made, shall be  
15 irrevocable. For purposes of this paragraph,  
16 any property shall not be treated as failing to  
17 be such a shelter merely because part of the  
18 building in which such property is located is  
19 used for purposes other than as such a shelter.

20              “(2) QUALIFIED BASIS.—In the case of a quali-  
21 fied low-income building with respect to which an  
22 election has been made under paragraph (1)—

23              “(A) the qualified basis of such building  
24 for any taxable year shall be increased by so

1 much of the eligible basis of such building as is  
 2 used throughout the year as such a shelter, and

3 “(B) subparagraph (E) of section 42(c)(1)  
 4 (relating to qualified basis to include portion of  
 5 building used to provide supportive services for  
 6 homeless) shall not apply.

7 “(3) TREATED AS RESIDENTIAL RENTAL PROP-  
 8 ERTY IN DETERMINING ADJUSTED BASIS.—A quali-  
 9 fied low-income building described in paragraph (2)  
 10 shall be treated as residential rental property for  
 11 purposes of section 42(d)(4)(A).”.

12 (b) CLERICAL AMENDMENT.—The table of parts for  
 13 subchapter Y of chapter 1 of such Code is amended by  
 14 inserting after the item relating to part II the following  
 15 new item:

“PART III. TAX BENEFITS FOR AREAS WARRANTING ASSISTANCE DUE TO  
 PRESIDENTIALLY DECLARED DISASTERS.”.

16 (c) EFFECTIVE DATE.—The amendments made by  
 17 this section shall apply to buildings placed in service after  
 18 the date of the enactment of this Act.

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